

BEFORE THE IDAHO BOARD OF TAX APPEALS

PAUL WILLIAMS,)	
)	
Appellant,)	APPEAL NO. 15-A-1081
)	
v.)	FINAL DECISION
)	AND ORDER
ADA COUNTY,)	
)	
Respondent.)	
)	
)	
)	

RESIDENTIAL PROPERTY APPEAL

This appeal is taken from a decision of the Ada County Board of Equalization denying the protest of valuation for taxing purposes of property described by Parcel No. R5124800140. The appeal concerns the 2015 tax year.

This matter came on for hearing September 24, 2015 in Boise, Idaho before Board Member Leland Heinrich. Appellant Paul Williams was self-represented. Tim Tallman represented Respondent.

Board Members David Kinghorn, Linda Pike and Leland Heinrich participated in this decision.

The issue on appeal concerns the market value of an improved residential property.

The decision of the Ada County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$86,700, and the improvements' value is \$230,200, totaling \$316,900. Appellant contends the correct total value is \$275,000.

The subject property is a .23 acre lot improved with a 1,870 square foot single story residence built in 1991. The property is located in Boise, Idaho, in the Lakeharbor subdivision overlooking Silver Lake. The residence includes three (3) bedrooms, two (2)

bathrooms, and a 528 square foot attached two (2) car garage.

Appellant purchased subject in 2013 for \$315,000. A major factor in purchasing subject was the taxes that were expected to be paid on the property. Since the purchase, taxes on subject have risen significantly.

Appellant reported though the property has a lake view, it does not front the lake. It is also located next to a large apartment complex. Subject backs up directly to the apartment's parking lot as well as the apartment's "pet defecation/play area". Pictures of this common area were provided by Appellant. Appellant indicated a fence had to be erected to keep people from cutting across their property to get to a community lake access area. Appellant believes these factors diminish privacy which significantly impacts the value of subject.

Appellant provided sales information concerning three (3) improved residential properties in subject's neighborhood. Sale No. 1 involved a 1,800 square foot two (2) story residence attached to a .18 acre lot with a view of the lake. The property sold in February, 2015 for \$264,000 or \$147 per square foot. Sale No. 2 concerned a 1,575 square foot single story residence attached to a .18 acre lot. According to Appellant, this sale took place in May, 2015 and sold for \$190,000 or \$121 per square foot. Sale No. 3 involved a 2,548 square foot two (2) story residence attached to a .18 acre lot. The property sold in October, 2014 for \$300,000 or \$118 per square foot.

Appellant also provided a realtor prepared Property Report indicating the value of subject as of December, 2014 should have been between \$240,000 and \$277,000.

In support of subject's assessed value, Respondent referenced five (5) 2013 improved residential sales located in proximity to subject, and included the subject sale. There was some variance in terms of lot and residence size, however, the sale properties were regarded as generally similar to subject in terms of age, location, design, and bedroom and bathroom count. Sale prices were between \$260,000 and \$322,000. Respondent compared properties directly to subject and made adjustments for time of sale, square footage, bathroom count, garage size, and condition. A .3% per month time adjustment was applied to the sale prices to reflect value on the January 1, 2015 assessment date. Adjusted sale prices ranged from \$265,970 to \$337,500, or \$142 and \$189 per square foot. Subject is assessed at \$316,900 or \$169 per square foot.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2015 in this case. Market value is defined in Idaho Code § 63-201, as,

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale,

substantiated by a reasonable down or full cash payment.

Market value is estimated according to recognized appraisal methods and techniques. There are three (3) approaches to value, the sales comparison approach, the cost approach, and the income approach. In a unique way, each approach considers the available information on recent comparable sales.

The Board acknowledges Appellant is greatly concerned with the amount of taxes now required to be paid. However, the purpose of this appeal is not to determine the tax rate, but to determine the market value of subject as of the valuation date, January 1, 2015. The tax law does not require properties receive the same percentage increase or decrease from year to year. Title 63, Idaho Code, does require all property be appraised and assessed at full market value except where exemptions exist.

A key element in appraisal is the effective date of valuation. Typically, a value estimate is derived using information which is knowable as of the valuation date. As indicated above, the assessment date in this appeal is January 1, 2015. Therefore, the Board's review will be restricted to market data prior to January 1st.

In reviewing the evidence, the Board agrees the proximity of the apartments and common/pet area may have a negative affect on marketability. However, the fact subject sold in February, 2013 for \$315,000 establishes the property is still desirable despite the apartments.

Appellant provided three (3) improved residential properties as comparable sales. Only Sale No. 3 was before the January 1, 2015 valuation date. This sale was a .18 acre

lot with a 2,548 square foot two (2) story residence built in 1995. The residence includes four (4) bedrooms, two and a half (2.5) bathrooms, and a 624 square foot attached two (2) car garage. This property was not highly similar to subject in square footage, bathroom count, garage size, and condition. No value adjustments were made by Appellant to directly compare the sale with subject. As such, relatively less weight was afforded this sale.

Respondent, on the other hand, presented analyses using a traditional sales comparison approach. In total, information on five (5) improved residential sales was provided and the physical characteristics of each selling property were detailed. Value adjustments were made for physical differences between the sale properties and subject. The indicated values from the sales ranged from \$265,970 to \$337,500, or \$142 and \$189 per square foot. Subject was assessed at \$316,900, or \$169 per square foot. The subject assessment falls reasonably within the value range indicated by the comparable sales. The Board found Respondent's valuation of subject supported by the sales comparison analysis.

In appeals to this Board, and pursuant to Idaho Code § 63-511, the burden is with Appellant to establish Respondent's valuation is erroneous by a preponderance of the evidence. In this instance the Board does not find Appellant met that burden. Respondent's valuation of subject was supported by an analysis of five (5) comparable sales. Subject's 2013 sale price at \$315,000 supported the current 2015 assessment. Appellant's evidence of current and historic assessed values, and other evidence, did not

demonstrate subject was over-assessed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Ada County Board of Equalization concerning the subject parcel be, and the same hereby is, AFFIRMED.

DATED this 11th day of January, 2016.